

REMARKS

This application has been carefully reviewed in view of the Final Office Action mailed March 17, 2008. All rejections are respectfully traversed and reconsideration is respectfully requested.

Claims 38-43, 45, 46, 48-54, 56-62, 72-79, and 84-105 are pending in the present application. No claims are added, canceled or amended by this response. New claims 103-105 are added for the Examiner's consideration.

The undersigned appreciates the Examiner's removal of the rejection under 35 U.S.C. §112, second paragraph.

Regarding the Response to Arguments / Request to Remove Finality of Rejection

Applicant appreciates the Examiner's efforts in responding to the arguments presented in the prior Office Action Response. However, Applicant notes that the rejections in question are obviousness rejections, but the Examiner's explanation relates to the law of anticipation, and hence suggest that the claim elements are "fully met" by "the reference". It is noted, however, that the rejections in question are obviousness rejections and the requirements of *Graham v. Deere, In re Kahn* (cited in prior response), and more recently affirmed in *KSR v. Teleflex*, 82 USPQ2d 1385 (S.Ct.2007) require that each element of the combination must be accounted for in the cited art and that there must be an articulated reasoning as to missing elements or a missing reasoning for making the combination claimed.

The Examiner incorrectly states that Applicants "misinterprets the principle that claims are interpreted in light of the specification. Although these elements are found as examples or embodiments of the specification, they are not claimed explicitly." Applicants respectfully disagree. If the Examiner studies the antecedent basis of the language used in the claims it will become clear that the claims distinguish over purchase of "distinct and separate video products" as previously argued. An example claim 38 is broken down in table form below, in part to illustrate how the explicit claim language in fact distinguishes. If after review of this language

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the Examiner is not convinced and would like to offer a proposal that clarifies the intended meaning, the undersigned would be delighted to discuss it with him and invites a telephone call.

While the Examiner's efforts in responding to this deficiency are appreciated, they are clearly deficient in view of the continued failure to provide an appropriate articulated reasoning that render any deficiencies in the cited combination of art obvious to one having ordinary skill in the art. Reconsideration and removal of the finality of the rejection are respectfully requested in view of the clear deficiencies in the rejection and the response to Applicant's arguments.

Applicants further note that the finality of the rejection of (at least) claim 49 is clearly improper as explained below and requests reconsideration and removal of the finality of the rejection.

Regarding the Rejections

In order to more clearly explain the deficiencies in the rejection, the undersigned asks the Examiner to consider by way of illustrative example, the defects in the rejection to claim 38 as follows:

CLAIM 38	REJECTION REMARKS	APPLICANT REMARKS
A method of delivering digital content, comprising:	Garfinkle ('754)	
receiving a request from a customer for transfer of A/V content in digital form to the customer;	Col. 3, lines 19-43; col. 3, line 54; col 4, line 11; Fig. 5	Note that the digital A/V content of Applicant has audio portions and video portions and are downloaded according to a <u>first usage rule</u> . Garfinkle discloses download of A/V products but fails to disclose a first usage rule
receiving payment from the customer for the transfer of the A/V content in accordance with a first usage rule;		

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CLAIM 38	REJECTION REMARKS	APPLICANT REMARKS
transferring audio/video (A/V) content in digital form from a content provider to the customer in accordance with the first usage rule, the digital form of the A/V content comprising at least an audio portion and a video portion;		
providing limited usage rights to the A/V content to the customer;	Stefik - Fig. 15	Customer gets limited usage rights to the A/V content. Office Action admits that Garfinkle fails to explicitly disclose this claim feature of providing limited usage rights to the A/V content. Stefik Fig. 15 only lists usage rights grammar preferred by Stefik. Applicant finds no clear teaching as to how such rights are assigned to the A/V content.

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CLAIM 38	REJECTION REMARKS	APPLICANT REMARKS
presenting the customer with an opportunity to complete a transaction to acquire additional rights to a selected portion of the A/V content,	Stefik - Fig. 15	Office Action admits that Garfinkle fails to explicitly disclose this claim feature of presenting the customer with an opportunity to acquire <u>additional rights to a selected portion of the A/V content</u> . Note that the use of "the" in reference to the A/V content explicitly means that we are talking about the A/V content downloaded above for which a first usage rule applies and for which limited usage rights are provided. Stefik Fig. 15 only lists usage grammar preferred by Stefik. There is no teaching, suggestion, motivation or articulated reasoning presented for "presenting the customer with an opportunity to complete a transaction to acquire <u>additional rights to a selected portion of the A/V content</u> ". Carefully note that the use of "a selected portion of the A/V content" clearly means acquiring additional rights to a part of the same A/V content for which rights have already been acquired under the first usage rule. Nothing in the cited art makes this obvious.
wherein the selected portion comprises at least one of a soundtrack, a documentary segment, an interview, an audio segment, a video segment and a still image;	Garfinkle - Col. 3, lines 19-43; Col 3, lin 54; Col 4, line 11, Fig. 5	

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CLAIM 38	REJECTION REMARKS	APPLICANT REMARKS
wherein the customer is presented with the opportunity in a menu displayed at least just prior to, during or just after presentation of the full selection of A/V content; and	Garfinkle – Col. 3, lines 19-43; Col 3, lin 54; Col 4, line 11, Fig. 5	Applicant finds no teaching, suggestion, motivation or articulated reasoning in the Office Action that supports presenting the customer with the opportunity in a menu displayed just prior to, during, or just after presentation of the full selection of A/V content. Clearly, the full selection of A/V content means <u>the A/V content</u> referenced earlier in the claim.
enabling the customer to store the selected portion if the customer elects to complete the transaction.	Garfinkle – Col. 3, lines 19-43; Col 3, lin 54; Col 4, line 11, Fig. 5	Applicant finds no teaching, suggestion, motivation or articulated reasoning found in the Office Action that supports enabling the customer to “store the <u>selected portion</u> ”
THE COMBINATION	Office argues obvious to combine Garfinkle and Stefik – respective functions unaltered and predictable	Applicants define the A/V content to include selectable portions that are the subject of transactions by which a customer acquires additional rights to the selectable portions of the A/V content. Any proposed combination lacks the claimed features associated with selection of a portion of <u>the A/V content for which rights have already been obtained, obtaining rights therefor and storage of same.</u> The claim features noted above are absent and there has been no articulated reasoning as to why one of ordinary skill in the art would find making the proposed combination and supplying the missing elements to be obvious. Even assuming that the functions of the cited references remains unchanged and predictable, the Office fails to explain the missing elements and provide reasoning for the obviousness of the claim as a whole including those missing elements.

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Thus, to reiterate the arguments made previously, specifically regarding the rejection of claim 38, the Patent Office asserts that the Garfinkle reference shows the A/V content of claim 38. (See Office Action mailed September 6, 2007, p. 3). However, the video products of Garfinkle are distinct and separate video products which are spliced together on the customer's equipment when purchased. (See Garfinkle, col. 4, ll. 21-26). Applicants respectfully submit that the A/V content as claimed is distinct from the separate video products of the Garfinkle reference. Applicants define the A/V content to include selectable portions that are the subject of transactions by which a customer acquires additional rights to the selectable portions of the A/V content. (See Application, Figure 6). As such, the Garfinkle reference does not teach or suggest Applicants' A/V content. Furthermore, Applicants find no teaching or suggestion with the Stefik reference to cure this deficiency, and no articulated reasoning as to why the claim is obvious despite these missing elements. Accordingly, Applicants respectfully submit that the combination of the Garfinkle reference with the Stefik reference does not teach or suggest the A/V content of claim 38. Accordingly, the A/V content of claim 38 is separate and distinct from the video product of the Garfinkle reference, either alone or in combination with the Stefik reference, and the rejection of claim 38 should be withdrawn for at least this reason.

Claim 38 further recites that payment is received from the customer for transfer of the A/V content and recites transferring the A/V content to the customer. Claim 38 further recites that the customer is presented with an opportunity to complete a transaction to acquire additional rights to a selected portion of the A/V content. The selected portion of the A/V content comprises at least one of a soundtrack, a documentary segment, an interview, an audio segment, a video segment, and a still image. Applicants find no teaching or suggestion within the combination of the Garfinkle and Stefik references of the ability to select portions of the video product which has already been transferred to the customer. In fact, separate video products must be separately selected and downloaded as part of a single transaction. (See Garfinkle, col. 4, ll. 13-21). Accordingly, in addition to not teaching or suggesting the A/V content of claim 38, the selection of portions of the A/V product is also not taught or suggested by the combination of references and the rejection of claim 38 should be withdrawn for at least this additional reason.

Applicants further find no teaching or suggestion of an additional transaction to acquire

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additional rights to a selected portion of the video product which has been transferred to the customer within the combination of the Garfinkle and Stefik references. While separate video products may be downloaded and spliced together within the Garfinkle reference, Applicants find no teaching or suggestion whatsoever of performing a transaction to acquire additional rights to a selected portion of a transferred video product within the combination of references. Accordingly, the rejection of claim 38 should be withdrawn for at least this additional reason.

The Patent Office further asserts that the customer of the Garfinkle reference is enabled to store a selected portion of the video product if the customer elects to complete the transaction. This assertion is defective for at least two reasons. First, as discussed above, the customer cannot select a portion of the video product within the Garfinkle reference and the Stefik reference does not cure this deficiency. Second, the customer within the Garfinkle reference must make all selections prior to completing a single transaction. As such, in addition to not being able to select a portion of the video product, there is no separate transaction within the combination of the Garfinkle and Stefik references with which to acquire additional rights to a selected portion of the video product. Because the customer within the Garfinkle reference cannot select a portion of the video product and cannot acquire additional rights to a portion of the video product by electing to complete a separate transaction, the customer within the Garfinkle reference cannot store such a selected portion of the video product. The Stefik reference does not cure these deficiencies. Accordingly, the rejection of claim 38 should be withdrawn for at least these additional reasons.

Based upon the numerous elements which are missing from the combination of the Garfinkle and Stefik references, as discussed above, the Patent Office has not shown where each and every element of the claims are taught or suggested in the combined references. Additionally, the Patent Office has not provided any articulated reasoning to explain why the claims including those missing elements would be obvious. Accordingly, the Patent Office has not established a *prima facie* case of obviousness for at least these reasons and the rejection of claim 38 should be withdrawn for at least these reasons. Reconsideration and allowance are respectfully requested.

For the Patent Office to combine references in an obviousness rejection, the Patent Office

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must first establish *prima facie* obviousness by showing where each and every element is taught or suggested in the combined references. MPEP 2143.03. This is fundamental to an analysis under the factual inquiries required by *Graham v. John Deere*, 383 U. S. 1 (Supreme Court, 1966) as a part of identification of the scope and content of the prior art. The Patent Office has failed to do so in the present rejection. Multiple claim elements are missing from the combination of Garfinkle with Stefik, and the Patent Office has failed to provide any articulated reasoning as to why one of ordinary skill in the art would find the claims as a whole to be obvious in the absence of the claim features not present in the cited art (See *In re Kahn*, 441 F. 3d 977, 988 (CA Fed. 2006), as explicitly endorsed by the Supreme Court). Such an analysis is required in order to satisfy the factual inquiry ascertaining the differences between the prior art and the claims at issue. Accordingly, the Patent Office has failed to establish *prima facie* obviousness and the present rejection should be withdrawn.

In contrast to the present claims, in the Garfinkle reference a customer navigates a catalog store which identifies multiple video products available from a remote product store. When a customer selects a video product, the customer may also select additional video products, such as a trailer, leadin, or critic's review, for purchase. These additional video products are purchased as part of the same transaction and prior to any transfer operation for the initial video product. The Garfinkle reference provides for splicing the separate video products together on the customer's equipment to allow one video product to play while another video product is downloaded. Accordingly, the Garfinkle reference does not teach or suggest completing a separate transaction to acquire additional rights to a selected portion of the A/V content itself. Instead, the Garfinkle reference shows selecting separate and distinct video items using a single menu interaction and completing one transaction to purchase all selected video products. The Stefik reference discusses the concept of a usage right and does not add significantly to the Garfinkle reference. The Stefik reference does not cure the deficiencies of the Garfinkle reference. Accordingly, the combination of Garfinkle with Stefik is not sufficient to establish a *prima facie* case of obvious.

Specifically regarding claim 39, the Patent Office submits the claim to be obvious and

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mentions a second IC card. However, there is no IC card claimed in claim 39, and Applicants fail to understand the reasoning of the rejection. The Final Office Action provides no assistance and is apparently a mere cut and paste of the prior Office Action. The claim calls for a second usage rule, and there is no requirement that the second usage rule be the same as the first usage rule. Moreover, the second usage rule applies to the selected portion and not "the A/V content" from which the selected portion is selected. Hence, any implication that providing a second usage rule is a duplicate is without merit since the second rule defines use of the selected portion. Reconsideration and allowance of claim 39 are respectfully requested.

Specifically regarding claim 40, the Patent Office cites col. 3, lines 54-62 as supporting a TOC that indexes selected portion. However, there is no teaching that such selected portion forms a part of the TOC in the A/V content as claimed. Instead, there is only a disclosure that the various content that can be ordered forming part of a catalog (note there is no disclosure that the catalog or a TOC forms a part of the A/V content). Reconsideration and allowance of claim 40 is respectfully requested.

Specifically regarding claim 42, the Patent Office asserts that Stefik discloses presenting and enabling to take place within a designated period of time and references Fig. 15 for this teaching. Applicants find no such teaching or suggestion in Fig. 15 which merely lists usage rights grammar without teaching or suggesting to one of ordinary skill in the art how to meet the features of claim 42. Reconsideration and allowance are respectfully requested.

Specifically regarding claim 49, the Patent Office has taken Official Notice to formulate this rejection. The Applicants previously requested proof in compliance with MPEP 2144.04 be provided of the information being noticed. Per MPEP 2144.04, "Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known. ... [A]ssertion of technical facts in the areas of esoteric technology or specific knowledge of the prior art must always be supported by citation to some

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reference work recognized as standard in the pertinent art. ... Ordinarily, there must be some form of evidence in the record to support an assertion of common knowledge. ... Any rejection based on assertions that a fact is well-known or is common knowledge in the art without documentary evidence to support the examiner's conclusion should be judiciously applied. Furthermore, ... any facts so noticed should be of notorious character and serve only to 'fill in the gaps' in an insubstantial manner which might exist in the evidentiary showing made by the examiner to support a particular ground for rejection." (Citations omitted, emphasis added) The Examiner has failed after being challenged in the prior action to establish the notoriety of the facts noticed. Hence it is believed proper that the finality of the rejection be withdrawn and the rejection rescinded.

In the present case, the undersigned is not and was not aware of "the storing comprises receiving a key code from the content provider to permit storing the selected portion" being known in the art. Moreover, the undersigned respectfully submits that it is at least not so notoriously well known as to meet the requirements for Official Notice as outlined above. Hence, Applicants respectfully requested proof of the assertion of Official Notice or withdrawal of same and allowance of claim 49. Applicants received no response to this request and hence assume that the rejection of claim 49 is improper and the finality of its rejection improper.

Specifically regarding claims 72, 84, and 94, these claims include similar elements to those discussed above with respect to claim 38. Accordingly, the rejection of claims 72, 84, and 94 should be withdrawn for at least the same reasons. Claims 39-43, 45, 46, 48-54, 56-62, 73-79, 85-93, and 95-102 depend, either directly or indirectly, from one of claims 38, 72, 84, and 94. Accordingly, Applicants respectfully submit that the rejection of claims 39-43, 45, 46, 48-54, 56-62, 73-79, 85-93, and 95-102 should be withdrawn for at least the same reasons as the independent claims from which they depend. Hence Reconsideration and allowance of claims 38, 72, 84 and 94 and all claims dependent thereon are respectfully requested.

Applicants reserve the right to make future arguments of patentability between these claims and the cited references, if necessary. Applicants respectfully submit that claims 38-43, 45, 46, 48-54, 56-62, 72-79, and 84-102 are now in proper condition for allowance and notice of

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the same is respectfully requested at the earliest possible date.

Claims 103-105 were added in the prior response. The present Final Office Action asserts that these claims are not patentably distinct from claim 38, but supplies no reasoning to support this assertion. Applicants respectfully submit that claims 103-105 are in proper condition for allowance and are patentably distinct from claim 38, and will be argued separately therefrom in any appeal. In view of the above, however, the arguments favoring patentability of claim 38 at least are equally applicable to these claims. Reconsideration and allowance are respectfully requested at an early date.

Conclusion

The finality of the present rejection is improper and the undersigned respectfully requests that the finality be withdrawn by the Examiner in order to avoid the need for petition for such.

The undersigned additionally notes that many other distinctions exist between the cited art, including Official Notice, and the claims. However, in view of the multiple clear distinctions pointed out above, further discussion is believed to be unnecessary at this time. Failure to address each point raised in the Office Action should accordingly not be viewed as accession to the Examiner's position or an admission of any sort. Additionally, blank remarks blocks in the table above should not be construed as any admission of the correctness of the Office's position, but is merely omitted to focus on the major issues which the undersigned wishes to stress. Applicants reserve the right to provide additional arguments if necessary in relation to any of the rejected claims.

In view of the discussion above, claims 38-43, 45, 46, 48-54, 56-62, 72-79, and 84-105 are now in proper condition for allowance. Reconsideration is respectfully requested and notice of allowance for all pending claims is respectfully requested at the earliest possible date.

If any issues remain, the Examiner is once again encouraged to contact the undersigned to expedite allowance and issue and avoid the necessity and expense of appeal.

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Dated: 4/24/08

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